



General Assembly

January Session, 2001

Amendment

LCO No. 8521

Offered by:

REP. STRATTON, 17th Dist.

SEN. WILLIAMS, 29th Dist.

To: Subst. Senate Bill No. 1012

File No. 771

Cal. No. 595

(As Amended by Senate Amendment Schedule "A")

"AN ACT CONCERNING NITROGEN REDUCTION IN LONG ISLAND SOUND."

1 Strike section 8 in its entirety and insert the following in lieu thereof:

2 "Sec. 8. (NEW) (a) As used in this section:

3 (1) "Eligible capital costs" means all costs associated with
4 improvements beyond local water quality needs (A) the actual
5 planning, design and construction costs for a nitrogen removal facility,
6 except for costs related to the modification of a facility for purposes
7 other than the enhancement of the nitrogen treatment process, and (B)
8 costs of equipment and land that is necessary for nitrogen treatment.
9 The Commissioner of Environmental Protection, with the approval of
10 the Nitrogen Credit Advisory Board, may designate other eligible
11 capital costs associated with the improvement of existing secondary
12 sewage treatment facilities;

13 (2) "Total eligible annual operation and maintenance cost" means
14 the incremental increase in the cost of labor administration, electricity,
15 and chemicals to remove nitrogen;

16 (3) "Total eligible capital cost" means one hundred per cent of the
17 eligible capital costs, based on a thirty per cent grant provided to the
18 facility pursuant to section 22a-478 of the general statutes and the loan
19 to finance the remaining seventy per cent of the eligible capital costs;

20 (4) "Total annual capital cost" means the total amount of the facility's
21 loan attributable to the total eligible capital cost divided by a twenty-
22 year loan repayment period; and

23 (5) "Total annual project cost" means the total annual capital cost
24 and the total eligible annual operation and maintenance cost.

25 (b) The Nitrogen Credit Advisory Board, established pursuant to
26 section 3 of this act, shall propose the annual value of equivalent
27 nitrogen credits by dividing the total annual project cost by the
28 reduction of equivalent pounds of nitrogen. Upon proposing such
29 value, the board shall notify each municipality with sewage treatment
30 facilities, in writing, of such proposal.

31 (c) The Commissioner of Environmental Protection shall issue a
32 draft ruling on the proposal pursuant to subsection (b) of this section.
33 Such draft opinion shall become final if no municipality or group of
34 municipalities petition for a review of the proposal pursuant to this
35 section.

36 (d) No later than fifteen business days after the issuance of the draft
37 ruling of the commissioner, a municipality or a group of municipalities
38 may petition the board to review the proposed value of the credits.

39 (e) No later than ten business days following the submission of a
40 petition for review, the board shall appoint an arbitration panel
41 comprised of (1) a municipal official from a municipality that is
42 expected to sell credits in the upcoming fiscal year, (2) a municipal

43 official from a municipality that is expected to purchase credits in the
44 upcoming fiscal year, and (3) a third member selected by mutual
45 agreement by such officials.

46 (f) No later than ten business days after the appointing of an
47 arbitration panel, the board shall convene the arbitration meeting of
48 the petitioners and the commissioner.

49 (g) No later than ten business days after the convening of the
50 arbitration meeting, the arbitration panel shall issue a final ruling on
51 the annual value of equivalent nitrogen credits."